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PLEASE PASS TO JAPAN COUNTRY DIRECTOR ERICSON
FOLLOWING SENT ACTION USINFO WASHDC INFO SECSTATE SECDEF CINCPAC
FROM USIS TOKYO AUG 31

QUOTE
UNCLAS CURRENT REACTION (8/31/72) FOR IOR/MEDIA REACTION STAFF,
IPS,
IBS, STATE/EA/J, SECDEF FOR JCS/J-5/FE/JAPAN AND ASD/ISA/EAPR/JAPAN
CINCPAC FOR PSYOPS EARL WILLSON PASS VOA READ

HAWAII TALKS: JAPANESE TELEVISION NETWORKS AND NEWSPAPERS GAVE
MAJOR COVERAGE THURSDAY TO REPORTS ON THE U.S.-JAPAN SUMMIT TALKS
CENTERING ON PRIME MINISTER TANAKA'S DEPARTURE OF HONOLULU.

NHK-TV AND OTHER LEADING TELEVISION NETWORKS CARRIED REPORTS
ON THE PRIME MINISTER'S DEPARTURE THURSDAY MORNING AND SAID THE
HAWAII SUMMIT TALKS WILL FOCUS ON THE CHINA PROBLEM AND ITS
RELATION TO THE U.S.-JAPAN SECURITY TREATY AND TRADE PROBLEMS.

TBS-TV SAID THE PURPOSE OF THE HAWAII SUMMIT IS TO EXCHANGE
VIEWS TO ELIMINATE FRICTION BETWEEN THE U.S. AND JAPAN.

TBS SAID THE U.S. SIDE IS EXPECTED TO SHOW UNDERSTANDING TOWARD
NORMALIZATION OF JAPAN-CHINA RELATIONS, BUT THAT IT IS CONCERNED
OVER CHANGES IN THE U.S.-JAPAN SECURITY STRUCTURE, SUCH
AS THE EXCLUSION OF TAIWAN FROM THE SCOPE OF THE FAR EAST DEFENSE
ARRANGEMENT AFTER JAPAN NORMALIZES RELATIONS WITH CHINA.

TBS SAID THE JAPANESE SIDE WILL EXPLAIN AT THE HAWAII TALKS
THAT CHINA DOES NOT RPT NOT FEEL THAT THE U.S.-JAPAN SECURITY
SYSTEM OBSTRUCTS NORMALIZATION OF JAPAN-CHINA RELATIONS.

TBS SAID THE JAPANESE SIDE FEELS THAT JAPAN CAN GAIN THE
UNDERSTANDING OF THE U.S. ON THE CHINA PROBLEM BY CALLING FOR
CONTINUED MAINTENANCE OF THE PRESENT SECURITY STRUCTURE.

ON THE ECONOMIC SIDE, TBS SAID CORRECTING THE U.S.-JAPAN
TRADE IMBALANCE WILL BE A MAJOR PROBLEM AT THE HAWAII TALKS.

AMONG THE NEWSPAPERS, THE THURSDAY MORNING EDITIONS OF THE
ASAHI, YOMIURI AND SANKEI GAVE TOP COVERAGE TO REPORTS ON THE

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U.S.-JAPAN SUMMIT TALKS.

THE ASAHI SAID PRIME MINISTER TANAKA IS SHOWING A STRONG DESIRE TO CORRECT THE TRADE IMBALANCE BETWEEN THE U.S. AND JAPAN AND THE JAPANESE SIDE IS EXPECTED TO EXPLAIN JAPAN'S STAND ON NORMALIZATION OF JAPAN-CHINA RELATIONS AT THE HAWAII TALKS.

THE YOMIURI SAID TANAKA IS DETERMINED TO CARRY OUT AN INDEPENDENT FOREIGN POLICY LINE WITH NORMALIZATION OF JAPAN-CHINA RELATIONS AS THE AXLE. BUT THE REPORT SAID JAPAN WILL CONTINUE TO MAINTAIN THE U.S.-JAPAN SECURITY SYSTEM.

THE YOMIURI ALSO REPORTED THAT ACCORDING TO JAPANESE GOVERNMENT SOURCES, U.S. TRADE NEGOTIATOR EBERLE HAS EXPRESSED STRONG DISSATISFACTION WITH JAPAN'S ONE BILLION DOLLAR EMERGENCY IMPORT PLAN BECAUSE IT WILL NOT RPT NOT CORRECT THE CURRENT TRADE IMBALANCE BETWEEN THE TWO COUNTRIES.

THE YOMIURI SAID EBERLE POINTED OUT THAT JAPAN WILL MAKE A PAYMENT OF ONLY \$400 MILLION THIS YEAR UNDER ITS IMPORT PLAN. AS A RESULT THE REPORT SAID JAPAN MAY HAVE TO TAKE MEASURES TO RESTRICT EXPORTS TO THE U.S.

EDITORIALLY, THE ASAHI SAID, "WE WOULD LIKE TO ASK THE PRIME MINISTER TO BE DETERMINED, FIRST OF ALL, TO KEEP AN INDEPENDENT STAND

NOT RPT NOT LEANING ON OR CONFORMING TO THE DEFENSE AND ECONOMIC POLICIES OF THE U.S., BUT CREATING A U.S.-JAPAN AGREEMENT THROUGH FRANK DISCUSSIONS."

THE ASAHI SAID, "THE FORTHCOMING U.S.-JAPAN MEETING WILL BE HELD IN A SITUATION IN WHICH OKINAWA HAS BEEN RETURNED AND OUR COUNTRY'S POLITICAL AND ECONOMIC POSITION HAS BEEN ELEVATED IN THE MULTIPOLARIZED WORLD." "THE CONDITIONS FOR A MEETING BETWEEN EQUALS EXIST AS NEVER BEFORE," THE EDITORIAL ADDED.

THE ASAHI SAID, "THE ESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN JAPAN AND CHINA WILL GREATLY EASE TENSIONS IN ASIA."

"PRESIDENT NIXON, WHO HAS ALREADY TAKEN THE FIRST STEPS TOWARD U.S.-CHINA RAPPROCHEMENT THROUGH HIS VISIT TO PEKING, HAS NO RPT NO GROUNDS FOR OBJECTION TO RESTORATION OF JAPAN-CHINA RELATIONS ON THE BASIS OF JAPAN'S INDEPENDENT JUDGMENT," THE EDITORIAL STATED.

"ALTHOUGH THE U.S. IS TRYING TO PULL OUT OF ASIA," THE EDITORIAL SAID, "THE U.S. HOPES TO RETAIN A POWER BALANCE IN THE AREA, CENTERED ON JAPAN." "IN THE HAWAII MEETING, CONSEQUENTLY, THE U.S. WILL PROBABLY REQUEST CONTINUED REGARD FOR THE SIGNIFICANCE AND CHARACTER OF THE U.S.-JAPAN SECURITY TREATY AND STRENGTHENING OF JAPAN'S SUPPORT FOR SOUTH KOREA AND VARIOUS OTHER ALLIED SOUTHEAST ASIAN COUNTRIES," THE EDITORIAL STATED.

THE ASAHI SAID, "THE FACT THAT THE ABOLITION OF THE SECURITY TREATY HAS NOT RPT NOT BECOME A PREREQUISITE FOR RESTORATION OF RELATIONS IS DUE TO THE UNDERSTANDING BY BOTH JAPAN AND CHINA THAT THE SECURITY TREATY WILL LOSE ITS HOSTILE CHARACTER THROUGH

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JAPAN-CHINA AND U.S.-CHINA RECONCILIATION." "WE URGE PRIME MINISTER TANAKA TO ARGUE OPENLY THAT NORMALIZATION OF JAPAN-CHINA RELATIONS IS A MORE STABLE BASIS FOR PEACE THAN A POWER BALANCE, AND TO STATE THAT THE SECURITY TREATY WILL NOT RPT NOT BE INVOKED AGAINST CHINA AND NORTO KOREA," THE EDITORIAL ADDED.

THE ASAHI SAID, "WE HOPE THAT PRIME MINISTER TANAKA WILL TAKE THE FIRST STEP IN THE HAWAII MEETING TO ESTABLISH A NEW PEACE AND SECURITY SYSTEM."

THE ASAHI SAID, "PRESIDENT NIXON STATED AT A PRESS CONFERENCE IN SAN CLEMENTE ON TUESDAY THAT THE MAIN TOPIC IN THE SUMMIT MEETING WILL BE THE TRADE IMBALANCE, AND THAT THE U.S. INTENDED TO ASK JAPAN FOR LARGE-SCALE CONCESSIONS." "IT IS REPORTED THAT HIS WORDS WERE CLOSE TO 'THREATS,' HINTING AT RETALIATORY STEPS," THE EDITORIAL ADDED.

IN CONCLUSION THE ASAHI SAID, "WE WOULD LIKE TO ASK THE U.S. TO TAKE A CALM POSTURE AT THE HAWAII TALKS."

THE MAINICHI SAID, "SINCE THE TANAKA CABINET'S INAUGURATION, JAPAN-CHINA RAPPROCHEMENT HAS PROGRESSED RAPIDLY, AND PRELIMINARY NEGOTIATIONS FOR A JAPAN-SOVIET PEACE TREATY AND SETTLEMENT OF THE TERRITORIAL ISSUE OF THE NORTHERN ISLANDS ARE EXPECTED TO BEGIN IN SEPTEMBER." "IT IS GRATIFYING TO FIND THAT THE GOVERNMENT IS SUCCESSFULLY PROMOTING ITS DIVERSIFIED PEACE DIPLOMACY," THE EDITORIAL ADDED.

UT THE EDITORIAL SAIDN ZTHIS SHOULD NOT RPT NOT UNDERMINE THE FRIENDLY AND HARMONIOUS RELATIONSHIP WITH THE U.S., WHICH IS INDISPENSABLE TO JAPAN'S PROSPERITY AND SECURITY AND THE PEACE AND STABILITY OF THE PACIFIC AREA".

THE MAINICHI SAID, "JAPAN AND THE U.S. DIFFER SOMEWHAT IN THEIR STANDS ON THE CHINA QUESTION." "WHILE THE JAPANESE GOVERNMENT DEEMS THAT IT MAY BE INEVITABLE TO SUSPEND DIPLOMATIC TIES WITH TAIWAN IN ORDER TO NORMALIZE JAPAN'S RELATIONS WITH CHINA, THE U.S. IS TRYING TO IMPROVE ITS RELATIONS WITH PEKING WITHOUT ABANDONING ITS DIPLOMATIC TIES AND DEFENSE TREATY WITH TAIWAN."

"SINCE CHINA SEEMS TO BE TAKING A FLEXIBLE ATTITUDE," THE MAINICHI SAID, "IF JAPAN AND THE U.S. PRODUCE CONSTRUCTIVE RESULTS FROM THE HAWAII SUMMIT, THE THREE COUNTRIES CAN CONTRIBUTE GREATLY TOWARD PEACE IN THIS PART OF THE WORLD."

THE ENGLISH-LANGUAGE JAPAN TIMES SAID, "THE U.S. AND JAPAN CANNOT RPT NOT, OF COURSE, BE EXPECTED TO REACH COMPLETE AGREEMENT ON ALL OF THE ISSUES THEY WILL MOST DISCUSS." "BUT THE IMPORTANT THING IS TO RESTORE A RELATIONSHIP OF TRUUST AND CONFIDENCE OF ONE TO THE OTHER," THE EDITORIAL ADDED.

THE JAPAN TIMES SAID, "THIS SHOULD BE THE MAIN TASK OF THE TWO LEADERS IN THEIR MEETING AT HAWAII." ITEM USIS TOKYO UNQUOTE IRWIN

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